

Message Text

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ORIGIN EB-08

INFO OCT-01 ARA-10 ISO-00 COME-00 STR-07 AGRE-00
CIAE-00 INR-10 LAB-04 NSAE-00 SP-02 TRSE-00
FRB-03 OMB-01 INRE-00 SSO-00 /046 R

DRAFTED BY EB/TEX:ABERRY;LABOR:EHABBERTON:HM
APPROVED BY EB/TEX:WBREW
COMMERCE - AGAREL (INFO)
STR - PMURPHY (INFO)
ARA/ECP - WBURSON(SUBS)
ARA/MEX - EBITTNER (INFO)
-----087327 192319Z /70
O 192224Z APR 78
FM SECSTATE WASHDC
TO AMEMBASSY MEXICO IMMEDIATE

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MEXICO FOR JOHN J. ST. JOHN - US TEXTILE DEL.

E.O. 11652: N/A

TAGS: ETRD, MX

SUBJECT: BACK END LOADING IN 1975 US-MEXICAN TEXTILE
-- AGREEMENT.

REF: ST.JOHN/BERRY TELCON

1. LABOR OFFICIAL'S NOTES FROM 1975 INICATE THAT 1975
US-MEXICAN BILATERAL TEXTILE AGREEMENT BACK END LOADING
FEATURE WAS WORKED OUT AT THE REQUEST OF THE MEXICAN
DELEGATION. WE ORIGINALLY OFFERED MEXICANS A FIRST YEAR
AGGREGATE OF 257.9 MILLION SYE, WHICH WITH SEVEN PERCENT
GROWTH FACTOR WOULD HAVE AMOUNTED TO 275.9 MILLION SYE IN
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THE SECOND AGREEMENT YEAR AND 295.2 MILLION SYE IN THE
THIRD AGREEMENT YEAR. THE MEXICANS PROPOSED REDUCING THE
FIRST YEAR AGREEMENT LEVEL TO 188.0 MILLION SYE BECAUSE
OF DEPRESSED MARKET CONDITIONS AT THAT TIME. THEY STATED
THAT MEXICO HAD THE CAPACITY TO PRODUCE THE 257.9 MILLION
SYE LEVEL BUT THAT COMPARABLE ORDER LEVELS WOULD NOT BE
FORTHCOMING UNTIL THE SECOND AND THIRD AGREEMENT YEAR.

---- THE 70 MILLION SYE DIFFERENCE BETWEEN THE US AND MEXICAN PROPOSALS FOR THE FIRST AGREEMENT YEAR LEVEL WAS DIVIDED PERMEXICAN REQUEST BETWEEN THE SECOND AND THIRD AGREEMENT YEAR LEVELS. THIS ADJUSTMENT IS INCLUDED IN LEVELS SET OUT IN FEBRURY 28, 1975 MOU.

2. IMMEDIATELY BEFORE THE EXCHANGE OF NOTES IN MAY, THE GOM REQUESTED THAT THE LEVELS CONTAINED IN THE FEBRUARY 28, 1975 MEMORANDUM OF UNDERSTANDING BE CHANGED. THE GOM TOLD US THAT THOSE REQUESTS FOR FIRST YEAR AGGREGATE, GROUP AND SPECIFIC LIMIT INCREASES ABOVE THE NEGOTIATED LEVELS WERE THEIR RESPONSE TO INFORMATION FROM THEIR MANUFACTURERS THAT MORE ORDERS HAD BEEN RECEIVED THAN ORIGINALLY ANTICIPATED IN FEBRUARY. AS A RESULT, THE LEVELS IN THE MOU WERE MODIFIED TO THOSE APPEARING IN THE 1975 AGREEMENT. CHRISTOPHER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILES, AGREEMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE100728
Document Source: CORE
Document Unique ID: 00
Drafter: ABERRY:LABOR:EHABBERTON:HM
Enclosure: n/a
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Errors: N/A
Expiration:
Film Number: D780168-0291
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780438/aaaabgbv.tel
Line Count: 78
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: cb4101ab-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2911430
Secure: OPEN
Status: NATIVE
Subject: BACK END LOADING IN 1975 US-MEXICAN TEXTILE -- AGREEMENT.
TAGS: ETRD, MX, US
To: MEXICO
Type: TE
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